



Missouri Department of Natural Resources Energy Center

MISSOURI ENERGY BULLETIN

September 23, 2005

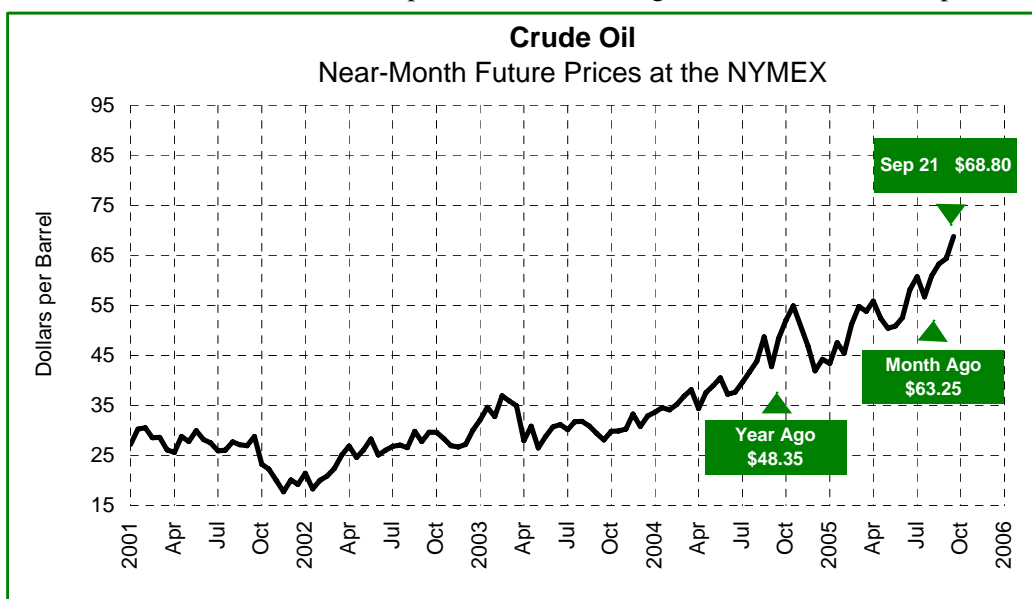
Crude Oil

On Sept. 21, NYMEX crude oil futures closed at \$68.80, due to fears of Hurricane Rita disrupting production in Texas and the Gulf of Mexico.

Crude Oil - Near Month Future Prices (dollars per barrel)

	<u>09-21-05</u>	<u>08-17-05</u>	<u>change</u>	<u>09-22-04</u>	<u>change</u>
NYMEX	\$68.80	\$63.25	up 9%	\$48.35	up 42%

- Crude oil futures for October delivery on the NYMEX closed higher at \$68.80 per barrel on September 21, due to fears of Hurricane Rita disrupting production and limiting refining capacity in the Texas and Gulf of Mexico regions. On September 22 and 23, oil prices eased on relief that Hurricane Rita weakened and was downgraded to a Category 4.
- With Hurricane Rita headed towards possible landfall in Texas, several major refining centers have been evacuated and may be at risk. Of the 26 refineries in Texas, 18 are located near the Gulf of Mexico. The combined crude oil distillation capacity of these refineries totals 4.0 million barrels per day, about 23 percent of the nation's crude oil refining capacity.
- According to the U.S. Minerals Management Service (MMS), 1,486,877 barrels per day of crude oil production, or over 99% of U.S. oil output from the Gulf Region was shut in as of September 23.



- Domestic crude oil stocks fell 300,000 barrels to 308 million barrels for the week ending Sept. 16, yet remain 38.6 million barrels higher than this time last year. Crude oil imports were up 704,000 bpd for the week.

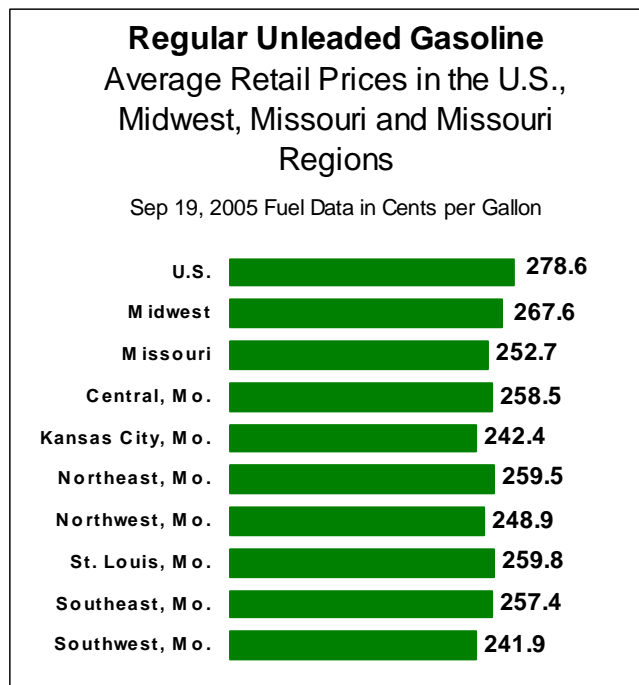
Transportation Fuels

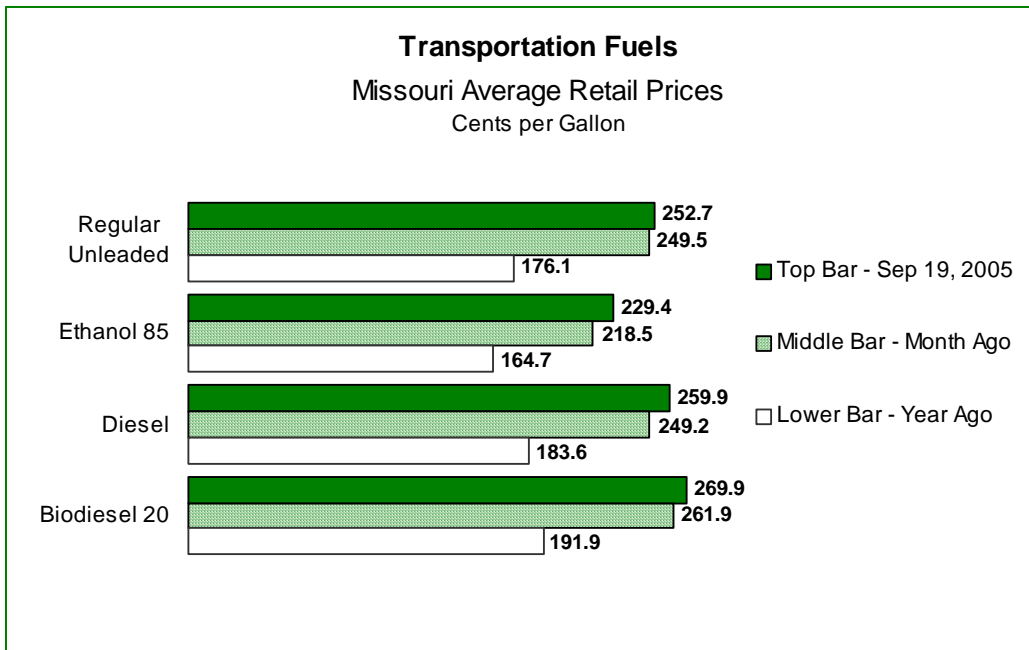
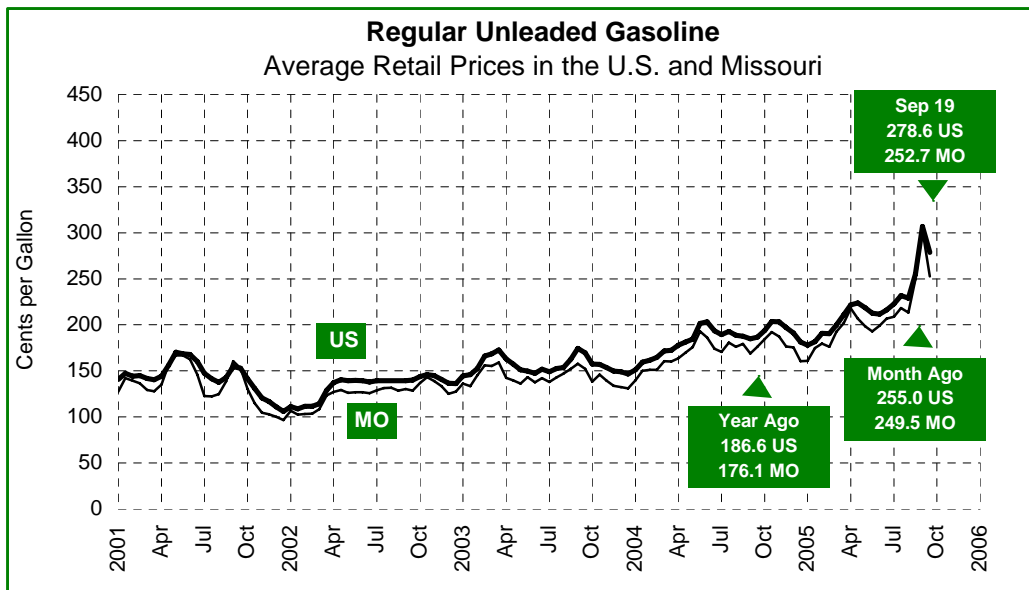
On Sept. 19, Missouri's average retail price for regular unleaded gasoline was \$2.53 per gallon, an increase of only one percent from mid-August but 43 percent higher than this time last year.

<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>09-19-05</u>	<u>08-15-05</u>	<u>change</u>	<u>09-20-04</u>	<u>change</u>
US	278.6	255.0	up 9%	186.6	up 49%
Missouri	252.7	249.5	up 1%	176.1	up 43%

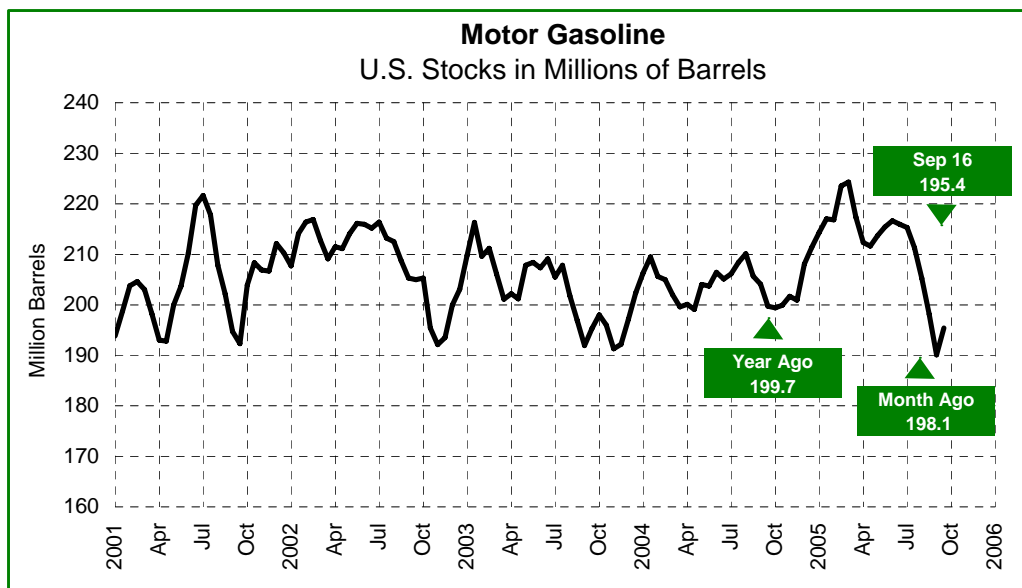
<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>09-19-05</u>	<u>08-15-05</u>	<u>change</u>	<u>09-20-04</u>	<u>change</u>
Missouri	259.9	249.2	up 4%	183.6	up 42%

- Missouri retail gasoline prices stayed close to \$2.50 per gallon over the last two weeks but could respond to hurricane activity in Texas and the Gulf of Mexico.
- Missouri's statewide average gasoline and diesel retail prices are now 43 and 42 percent, respectively, higher than last year. Refinery and pipeline closings due to hurricane activity in the Gulf of Mexico are helping to support retail prices throughout the U.S.





- Since Monday, September 19, the statewide wholesale average price for motor gasoline has increased by approximately \$0.33 per gallon.
- Midwest Region motor gasoline supplies improved by 1 million barrels to 50.5 million barrels as of the week ending Sept. 16 and are now comparable to gasoline supplies to this time last year.
- For the week ending Sept. 16, U.S. gasoline supplies increased by 3.4 million barrels to 195.4 million barrels, as U.S. gasoline production fell 736,000 barrels per day from the prior week while imports fell by 409,000 barrels per day. Gas supplies are 4.3 million barrels below last year's level at this time.
- Implied demand fell 183,000 barrels per day from the prior week to 8.8 million barrels per day. Last year at this time, demand stood at 9 million barrels per day.



- Distillate stocks, which include heating oil and diesel fuel, increased by 800,000 barrels to 134.1 million barrels for the week ending Sept. 16. Production increased slightly from the prior week to 3.9 million barrels per day, while imports increased to 185,000 barrels per day. Implied demand was 3.87 million barrels per day, slightly lower than this time last year.

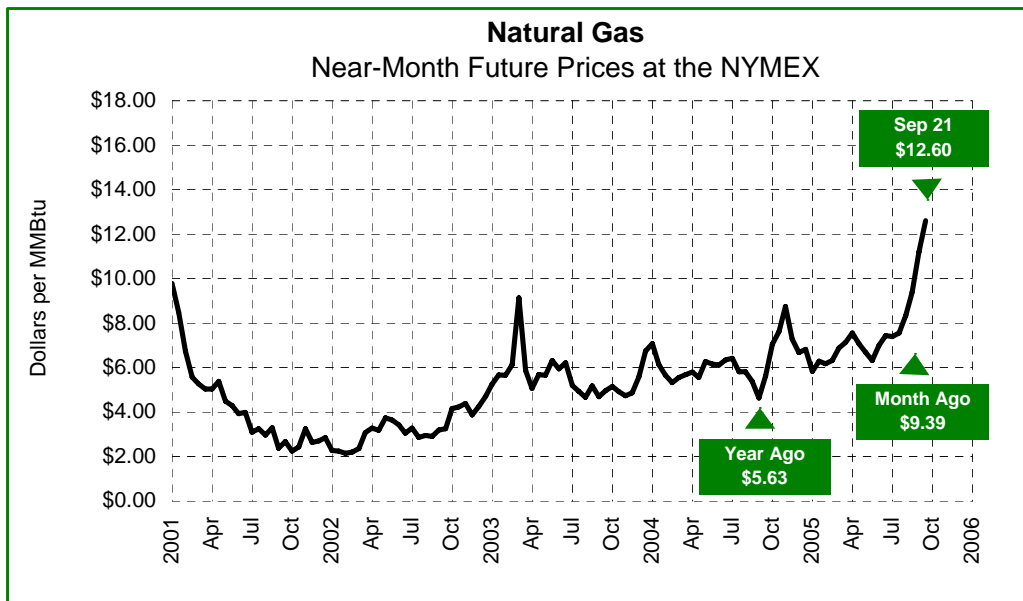
Natural Gas

Approximately 56 percent (1,261,397) of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity.

On Sept. 21, natural gas futures closed at \$12.60 per MMBtu, an increase of \$3.21 since last month and \$6.97 or 124% higher than this time last year.

Natural Gas - Near Month Future Prices (dollars per mmbtu)					
	09-21-05	08-17-05	change	09-22-04	change
NYMEX	\$12.60	\$9.39	up 34%	\$5.63	up 124%

- On September 21, the price of the NYMEX futures contract for October delivery at the Henry Hub settled at \$12.60 per MMBtu, increasing roughly \$1.43 or about 13 percent since last Wednesday (September 14). The surge in natural gas prices is due to the aftermath of Hurricane Katrina and the approaching Hurricane Rita. According to EIA, continuing difficult weather conditions are obstructing efforts to assess the storm damage to natural gas infrastructure in the region.
- According to the EIA as of Sept. 8, the current outlook for the upcoming winter (October 2005 through March 2006) yields expectations for energy expenditures for natural gas to be approximately 50 percent more than the winter of 2004-2005 for an average household. Prices are expected to range from \$11 to \$13 per thousand cubic feet (mcf) through the end of 2005.



- The U.S. Minerals Management Service reported that as of Wednesday, September 21, 4.7 Bcf of natural gas was shut in due to damage caused by Hurricane Katrina and in anticipation of Hurricane Rita. This is about 45 percent of the daily 10.4 Bcf natural gas production in the Federal Gulf of Mexico. The cumulative natural gas production shut-ins since August 26 were 125.2 Bcf, amounting to about 3.3 percent of the total annual production in the Gulf.
- According to the EIA, U.S. working gas in underground storage was 2,832 Bcf as of September 16, which is 3.4 percent above the 5-year average.

The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources, Energy Center. The Energy Center collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The Bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and on-line at the Energy Center Internet address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; regional state energy offices; and Missouri's energy retailers. For more information, contact: MO Dept. of Natural Resources, Energy Center, P.O. Box 176, Jefferson City, MO 65102-0176; Phone: (573) 751-3443 or (800) 361-4827; Fax: (573) 751-6860; E-mail: energy@dnr.mo.gov; Web Address: www.dnr.mo.gov/energy/transportation/fb.htm



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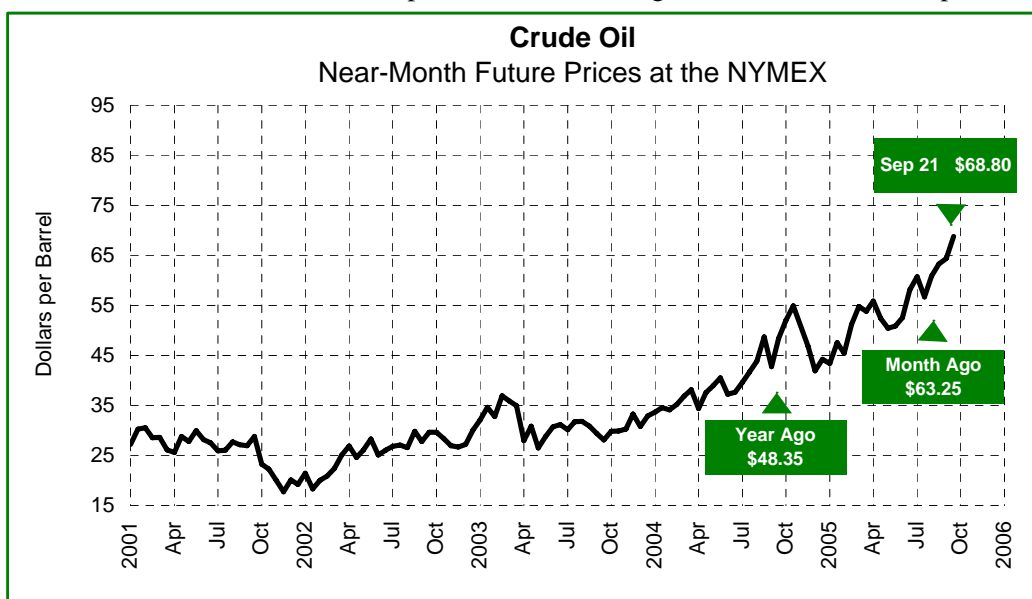
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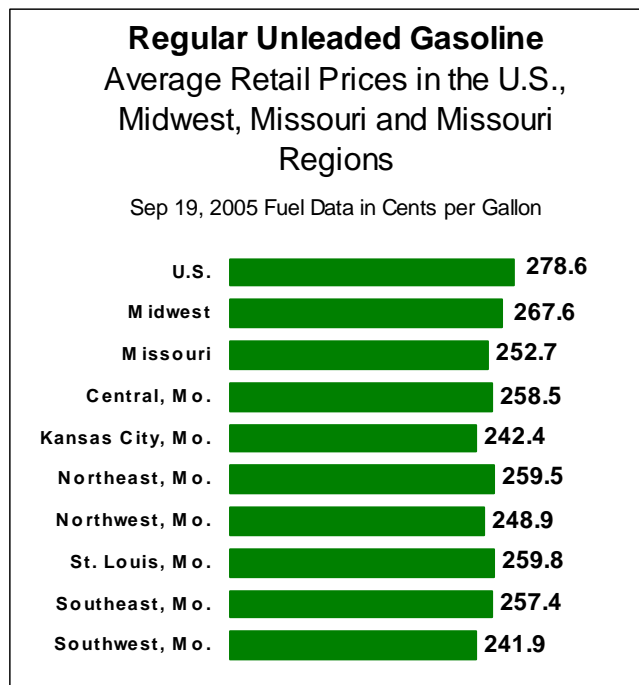
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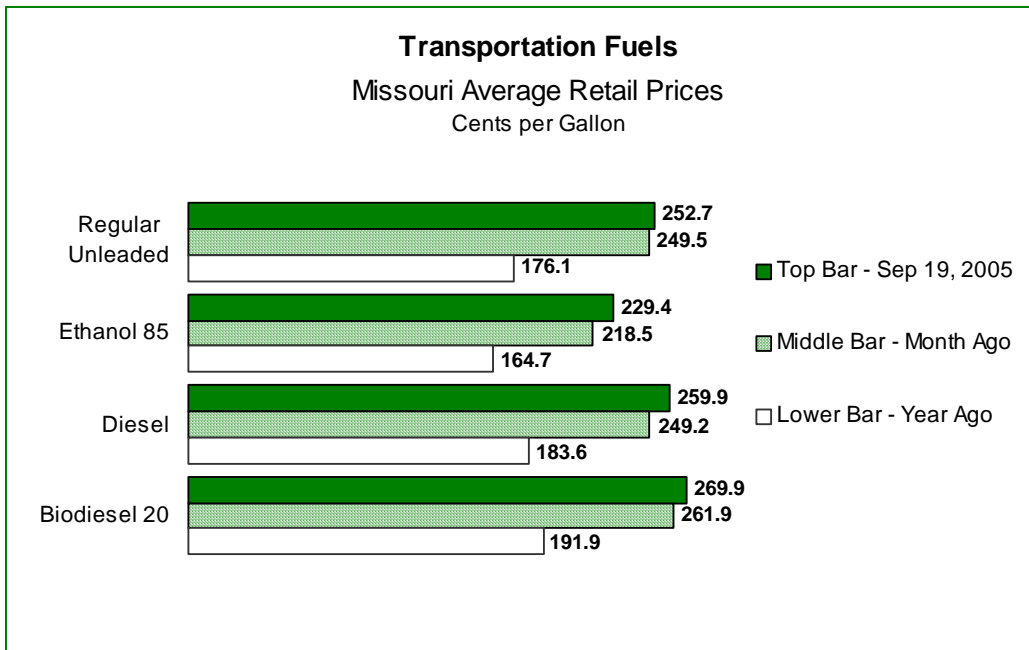
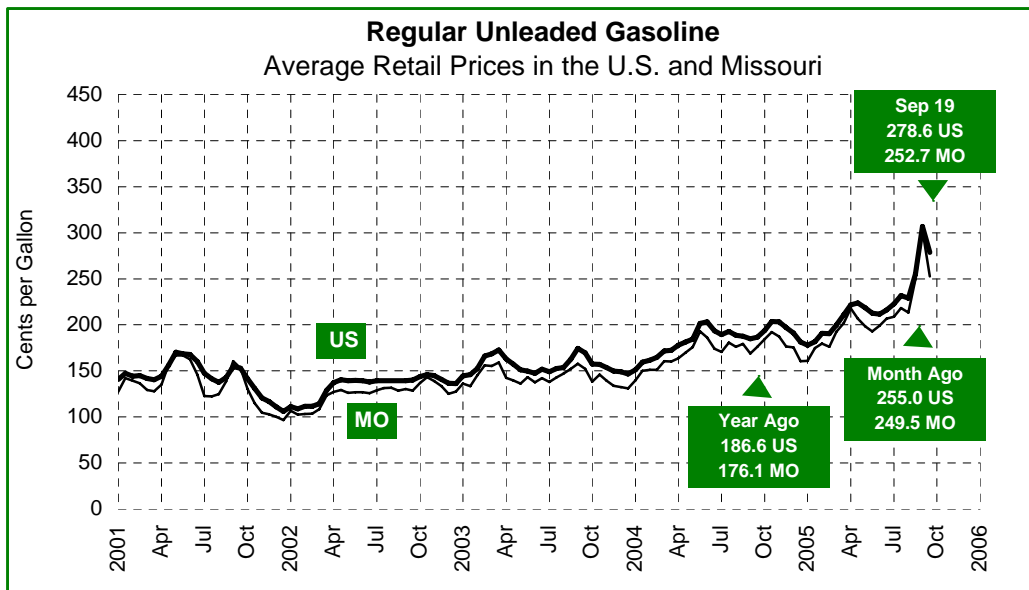
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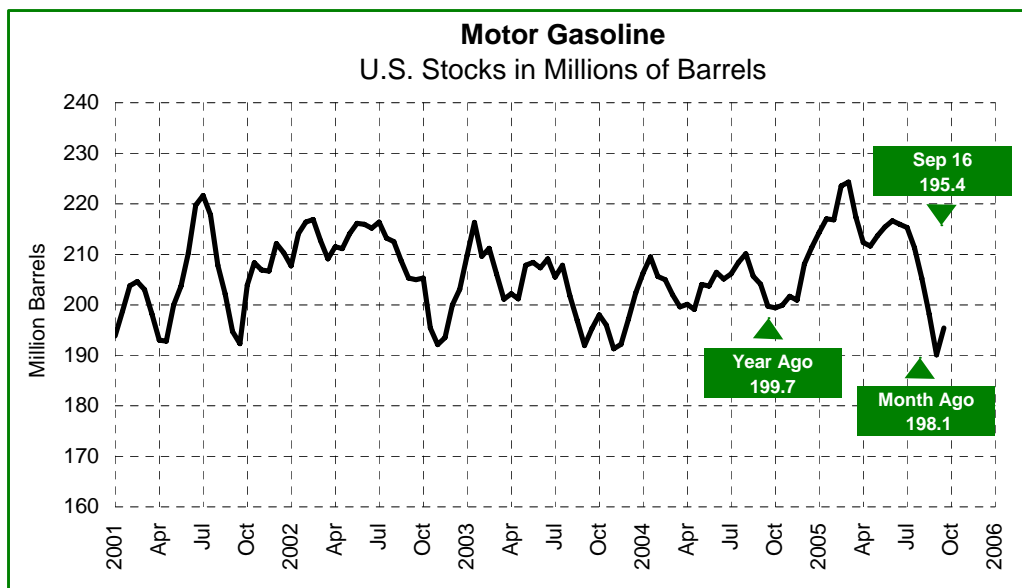
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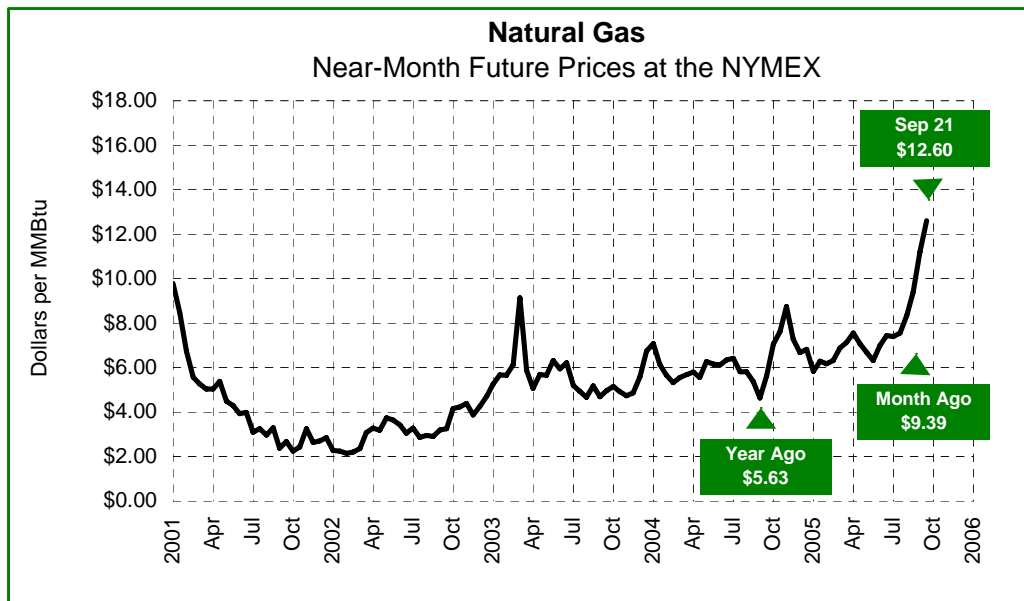
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